

A. G. Contract No. KR98 2516TRN  
ADOT ECS File: JPA 98-200  
Project: INDRES-NIR-0(001)/H5167 03X  
Section: Reservation Roadway Maintenance

INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
THE STATE OF ARIZONA  
AND  
NAVAJO COUNTY, ARIZONA

THIS AGREEMENT is entered into February 2, 1998,  
pursuant to Arizona Revised Statutes Section 11-952 through 11-954 as  
amended, between the STATE OF, acting by and through its DEPARTMENT OF  
TRANSPORTATION (the "State") and NAVAJO COUNTY, ARIZONA, acting by and  
through its BOARD OF SUPERVISORS (the "County").

I. RECITALS

1. The State is empowered by Arizona Revised Statutes Section 28-401 and 28-334 to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has delegated to the undersigned the authority to execute this agreement on behalf of the State.

2. The County is empowered by Arizona Revised Statutes Section 11-251 to enter into this agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement and has authorized the undersigned to execute this agreement on behalf of the County.

3. The Federal Government has made funds available to the State for the use of the County to conduct roadway maintenance for roadways that are within, adjacent to, or provides access to Indian reservations. The parties hereto desire to define their respective responsibilities relating to the transfer of \$88,950.00 thru the State to the County and the expenditure thereof.

THEREFORE, in consideration of the mutual agreements expressed herein,  
it is agreed as follows:  
=====

NO. 22909  
Filed with the Secretary of State  
Date Filed: 01/07/99  
Betsy Gayless  
Secretary of State

By: Vicky D. Greenwood

II. SCOPE

## 1. The State will:

Provide the County federal funds in the amount of \$88,950.00 for maintenance to be performed on Indian reservation roadways, as defined in Exhibit A, which is attached hereto and made a part hereof.

## 2. The County will:

a. Apply funding to project work activities in strict accordance with applicable Federal and State laws, rules and regulations.

b. Conduct related work activities generally in accordance with Exhibit A.

III. MISCELLANEOUS PROVISIONS

1. The State assumes no financial obligation or liability under this agreement, nor for any resulting maintenance. The County, in regard to the County's relationship with the State, assumes full responsibility for all resulting maintenance activities. It is understood and agreed that the State's participation is confined solely to securing federal aid; that any damages arising from carrying out, in any respect, the terms of this agreement or any modification thereof, shall be solely the liability of the County and that the County hereby agrees to save and hold harmless and indemnify from loss the State, any of its departments, agencies, officers or employees from any and all cost and/or damage incurred by any of the above and from any other damage to any person or property whatsoever, which is caused by any activity, condition, or event arising out of the performance or nonperformance of any provisions of this agreement by the State, any of its departments, agencies, officers and employees, the County, any of its agents, officers and employees, or any of its independent contractors. Costs incurred by the State, any of its departments, agencies, officers or employees shall include in the event of any action, court costs, expenses of litigation or attorneys' fees. The only interest of the Arizona Department of Transportation in this agreement is to convey federal pass through funds for the use and benefit of the County by reason of State and Federal law under which funds for the activities are authorized to be expended.

2. This agreement is contingent upon the availability of federal funds to support the program, and shall remain in force and effect until completion of said payment; provided, however, that this agreement may be cancelled at any time prior to the commencement of performance, upon thirty (30) days written notice to the other party.

3. This agreement shall become effective upon filing with the Secretary of State.

4. This agreement may be cancelled in accordance with Arizona Revised Statutes Section 38-511.

5. The provisions of Arizona Revised Statutes Section 35-214 are applicable to this contract.

6. In the event of any controversy which may arise out of this agreement, the parties hereto agree to abide by required arbitration as is set forth in Arizona Revised Statutes Section 12-1518.

7. All notices or demands upon any party relating to this agreement shall be in writing and shall be delivered in person or sent by mail addressed as follows:

Arizona Department of Transportation  
Joint Project Administration  
205 South 17 Avenue, Mail Drop 616E  
Phoenix, AZ 85007

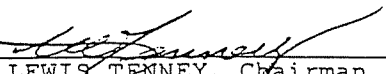
NavajoCounty  
County Manager  
Box 668  
Holbrook, AZ 86025

8. Attached hereto and incorporated herein is the written determination of legal counsel that the parties are authorized under the laws of this State to enter into this agreement and that the agreement is in proper form.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

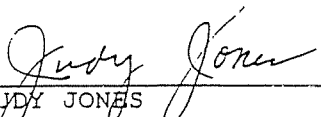
NAVAJO COUNTY, ARIZONA

STATE OF ARIZONA  
Department of Transportation

By   
LEWIS TENNEY, Chairman  
Board of Supervisors

By   
DALE BUSKIRK, Director  
Transportation Planning

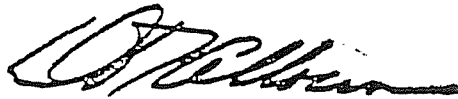
ATTEST

By   
JUDY JONES  
Clerk of the Board

RESOLUTION

BE IT RESOLVED on this 4th day of November 1998, that I, the undersigned MARY E. PETERS, as Director of the Arizona Department of Transportation, have determined that it is in the best interests of the State of Arizona that the Department of Transportation, acting by and through the Intermodal Transportation Division, to enter into an agreement with Navajo County for the purpose of defining responsibilities for the pass through of federal funds for Indian reservation roads in the County.

Therefore, authorization is hereby granted to draft said agreement which, upon completion, shall be submitted to the Director of Transportation Planning for approval and execution.



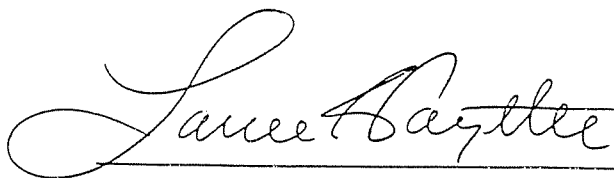
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DAVID R. ALLOCCO, P.E.  
Assistant State Engineer  
Engineering Technical Group  
for Mary E. Peters, Director

APPROVAL OF THE NAVAJO COUNTY ATTORNEY

I have reviewed the above referenced proposed intergovernmental agreement, between the DEPARTMENT OF TRANSPORTATION, HIGHWAYS DIVISION, and NAVAJO COUNTY and declare this agreement to be in proper form and within the powers and authority granted to the County under the laws of the State of Arizona.

DATED this 2ND day of December, 1998.

A handwritten signature in cursive script, reading "Lance Bayllee", written over a horizontal line.

Deputy County Attorney

copy

HNG-12-0798-Q57-0008

ACTION: TEA-21, Section 1214(d)  
Additional Authorization To States With Indian Reservations  
Allocation of FY 1998 Funds - Arizona, New Mexico and Utah

August 6, 1998

Chief, Federal-Aid and Design Division

HNG-12

Regional Administrators  
Regions 6, 8 and 9

Section 1214(d) of the Transportation Equity Act for the 21st Century (TEA-21) provides additional funding for States that have within their boundaries all or part of an Indian reservation having a land area of 10,000,000 acres or more. The only Indian reservation meeting this criterion is the Navajo Indian Reservation in Arizona, New Mexico and Utah. Under the provisions of Section 1214(d)(1), these funds are to be equally divided among the three States.

Each county within any of these three States, that has a public road meeting the following criteria, is eligible to apply to the State for these funds to be used to maintain these public roads.  
The public road must be:

- 1) one that is within, adjacent to, or provides access to the Indian reservation described above;
- 2) used by a school bus to transport children to or from a school or Headstart program carried out under the Head Start Act; and
- 3) maintained by the County in which the road is located.

The State shall provide the funding directly to each county based on the amount requested. If more funding is requested from the counties than is available to the State, the State shall determine an equitable distribution of funds among the eligible counties that apply. These funds are to supplement, not replace, any funding provided by the Bureau of Indian Affairs for road maintenance on Indian reservations or any funding provided by the State to the county for road maintenance.

In accordance with Section 1214(d)(5)(A) of TEA-21, \$1,500,000 is available from the Highway Trust Fund each of fiscal years 1998 through 2003 for this activity. In applying the provisions of Section 1102(f) of TEA-21 concerning the redistribution of certain allocated funds, only the amount for which obligation authority is provided will be made available. For FY 1998, only 89.1 percent, or \$1,336,500, is available. The remaining \$163,500 will not be available for this activity, but instead is distributed to the States in accordance with Section 1102(f).

Post-It* Fax Note	7671	Date	5/10/98	# of pages	3
To	SG	From	VICKI		
Co./Dept.	A-DOT	Co.	F-HWA		
Phone #	255-8694	Phone #	377 3780		
Fax #	255-6672	Fax #	377 3608		

We are, therefore, allocating \$445,500 of appropriation code Q57 funds each to Arizona, New Mexico and Utah, and providing an equal amount of obligation authority. In accordance with Section 1214(d)(4), any of these funds that are not obligated by June 9, 1999, will be withdrawn and apportioned among all the States in accordance with 23 U.S.C. 104(b).

State	Appn. Code	FY 1998 Allocation	Obligation Authority
Arizona	Q57	\$ 445,500	\$ 445,500
New Mexico	Q57	\$ 445,500	\$ 445,500
Utah	Q57	\$ 445,500	\$ 445,500
TOTAL	Q57	\$ 1,336,500	\$ 1,336,500

Additionally, this allocation of funds and accompanying obligation authority are available only for purposes set forth in this memorandum. Any funds not obligated as of September 15, 1998, will be withdrawn, along with the accompanying obligation authority, to be returned the following fiscal year.

The Federal share for these funds is to be determined in accordance with 23 U.S.C. 120. If the funds are used for a project on a Federal-aid highway that lies within the Indian reservation, 23 U.S.C. 120(f) may be applied.

By copy of this memorandum, the Budget Division of the Office of Budget and Finance is requested to process this allocation.

If you have any questions, please call Mr. Larry Beidel (202-366-1564) of my staff.

Signed by  
Seppo I Sillan for  
Dwight A. Home



STATE OF ARIZONA

OFFICE OF THE ATTORNEY GENERAL

1275 WEST WASHINGTON, PHOENIX 85007-2997

TRN Main: (602) 542-1680

Direct: (602) 542-8837

Fax: (602) 542-3646

MAIN PHONE: 542-5025

TELECOPIER : 542-4085

GRANT WOODS  
ATTORNEY GENERAL

INTERGOVERNMENTAL AGREEMENT  
DETERMINATION

A.G. Contract No. KR98-2516TRN, an agreement between public agencies, has been reviewed pursuant to A.R.S. § 11-952, as amended, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona.

No opinion is expressed as to the authority of the remaining parties, other than the State or its agencies, to enter into said agreement.

DATE December 24, 1998.

GRANT WOODS  
Attorney General

A handwritten signature in black ink, appearing to read "James R. Redpath", is written over a horizontal line.

JAMES R. REDPATH  
Assistant Attorney General  
Transportation Section

JRR:et/17566

Enc.